

COMMITTEE ON FINANCE

January 21, 2003

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

Present: Aldermen Wihby, Gatsas, Guinta, Sysyn, Osborne, Pinard, Lopez, Shea, DeVries, Garrity, Smith, Forest

Absent: Alderman Thibault

Chairman O'Neil addressed Item 3 of the agenda:

Resolutions:

“Amending the 2003 Community Improvement Program, authorizing and appropriating funds in the amount of Seventeen Thousand One Hundred Eighty Dollars (\$17,180) for the 2003 CIP 711103 LED Replacement Program.”

“Amending the FY 2000 & 2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Hundred Eighty Five Thousand Dollars (\$185,000) for FY2003 CIP 713503 Crystal Lake Land Acquisition Project.”

“Authorizing the Finance Officer to effect a transfer of One Hundred Eighty Five Thousand Dollars (\$185,000) for the 2003 CIP 713503 Crystal Lake Land Acquisition Project.”

“Authorizing the Finance Officer to effect a transfer of Six Thousand One Hundred Dollars (\$6,100.00) from Contingency to the Traffic Department.”

On motion of Alderman Wihby, duly seconded by Alderman Pinard, it was voted to read the Resolutions by title only and it was so done.

Alderman Gatsas stated the \$185,000 comes from the Riverfront Foundation. Is that what I understand?

Chairman O'Neil replied no I believe that is wrong. It is from the Riverwalk.

Mr. MacKenzie stated that is correct, Mr. Chairman.

Alderman Gatsas asked can somebody explain to me how this \$185,000 all of the sudden fell from the sky when we were looking for money for Derryfield Park and we couldn't find it.

Mr. MacKenzie answered there are two parts to that question. First we were asked to review where if the Board was going to borrow some money if indeed this money is going to be repaid by the State what he most likely project would be. We did identify the Riverfront Project because there are no encumbered amounts in the amount of \$185,000 so we did offer that project to the CIP Committee. The second part of the question dealing with Derryfield Park...I believe the funding is in place for the Phase I. The Phase I is in construction and will be completed this spring. I believe the last piece to go is paving by the Highway Department of certain portions of that project.

Alderman Gatsas asked that doesn't include the tennis courts, which this would have taken care of Phase II and the tennis courts. I guess my question is what guarantee do we have that this money is being paid back?

Mr. MacKenzie answered we do not have a guarantee. The State has indicated that it is likely that they will purchase the property and if the City purchases in advance they would repay the City the \$400,000 but there is no guarantee.

Alderman Wihby asked are Riverfront and Riverwalk the same thing because it says Riverfront.

Mr. MacKenzie replied the specific name of the project, which was done a couple of years ago was Riverfront Development Project. I do refer to Riverwalk because that is confusing now with the proposed Riverfront Development at Singer Park.

Alderman Gatsas stated I think there are 12 wards and every Alderman, including the Alderman At-Large could find projects to go forward in their own wards. I just don't understand how all of the sudden in a particular ward on a particular issue money is found. Now if I ask the question on a generalized basis, are there any more funds available, I assume Mr. MacKenzie that my answer is going to be no or is that an incorrect answer?

Mr. MacKenzie replied the only unencumbered funds right now are from the Riverfront Project. There is the more than \$185,000 available in that project. It

was earmarked for Phase III, which is north of Granite Street but is not currently encumbered or contracted.

Alderman Gatsas asked is there more than the \$185,000.

Mr. MacKenzie answered yes there is.

Alderman Gatsas asked how much more.

Mr. MacKenzie answered I do not have the exact number but I believe since the Board did not go ahead with the Seal Tanning garage adjacent to the Autodesk project that there is probably about \$1 million but again I would rather not be quoted. I know Kevin Sheppard is here. Is that about the right amount?

Mr. Sheppard stated a little bit less than \$1 million.

Alderman Gatsas asked so if the Federal funds don't come forward on this are we going to turn around and resell this property or what are we going to do with it.

Chairman O'Neil replied I think the Board would have to make a decision at that time. If the Board would allow me, my intent is not to debate but just...I will step down if the Board wishes me to do that but I just see this as an opportunity to pick up a piece of land. We have missed opportunities in the past. Buying this piece of land would be in the best interest of the City and all we are really doing is loaning money from one project to another and I think that all indications are that the money will be available not only for this project but other projects...I have heard talk about Bass Island and Hackett Hill. There is over \$100 million currently scheduled in the mitigation program for I-93 and I think Manchester will be getting its fair share of it. I feel very comfortable about that.

Alderman Shea stated I think that when we look at the cost of preserving Crystal Lake for say \$185,000 and I believe Alderman DeVries can speak to this better than I but we have already raised \$215,000 and we contrast that with how much money we are putting into Livingston Park...now the people in the South end of Manchester really don't have the same access to Livingston Park as the people in the North end of Manchester. This is an area that the people in the South end of Manchester can use. Again, we are talking about Ward 7, 9, 10, 6 and other people who may be visiting with people in those wards. If we don't preserve this then the people in that section of the City will be impacted severely. Plus the fact is that we also have not 100% assurance but we have a very strong assurance that the State will, in fact, reimburse the City for this amount of money that we are spending. I think environmentally if we look at what could result from homes being built there and the financial impact that would have on the people living

there now and on the waterway there, it doesn't seem to me that we are using logic in putting millions and millions of dollars in Livingston Park to build a pool and we are not willing to preserve a treasure that we have which we can't replace. We can discuss where the money is coming from, how much money we are going to get, where the money should have come from, how much money we should have spent in terms of other projects but the point of the matter is that we have to make a decision now that we want to preserve something that is going to last for our lifetime and the lifetime of other people and this is what we have to look at. I say that it is a very worthwhile project and we should be able to vote \$185,000. As soon as there is a possibility, I would defer to Alderman DeVries to make that motion.

Alderman DeVries stated I just wanted to add to that discussion. I did have further discussion with Bill Pass who is the project engineer for the I-93 widening and I was able to receive from him an e-mail that indicates that they will be working off the appraisals that have already been done on the property. What that does for us is it locks in the assurance that we are going to be reimbursed the full \$400,000. He did verbalize that as well as back it up with an e-mail to me, which I realize is not the hard copy we would normally like to have in front of us but it was better than nothing. If you would like it distributed we can do that now. Alderman Shea very eloquently put that this really is not just a Ward 8 issue. I would add to the wards. I think if you took a look at the participation at Crystal Lake, which is the swimming area, the swimming pool for the South end of the City, it probably has the highest participation coming from the inner City wards. Wards 3 and 5 probably are the majority of the people who are visiting the public beach, which is the only public beach we have left in the City of Manchester. It is mainly an inner City visitation during the summer. There is also a day camp, which plays host to hundreds of kids during the summer who come from throughout the City. This is not a South end Ward 8 issue. This is probably the best use of a small amount of money to preserve for parks and recreation for \$185,000 we can preserve a swimming area in the South end of Manchester. If we choose not to do that, the environmental community has already been convinced that if we do not do this we can spend \$2 or \$3 million five years from now to put a pool in the parking lot. It is a common sense issue and the best part of it is we are likely to be reimbursed for 100% of the investment. To me it is a no brainer. It is the best deal I have seen since I have been here on the Board and I will make a motion to call for a vote at this time.

Alderman DeVries moved that the Resolutions ought to pass and be enrolled. Alderman Shea duly seconded the motion.

Alderman Lopez stated I support Alderman DeVries and Alderman Shea. I consider this project encompassing just more than one ward. I would like to take

another look at that \$1 million, too. If there is some other place in the City that we can use it very fast in the upcoming year to do something like this I would be more than willing to work with you two.

Alderman Forest stated I guess in the newspaper that printed that Alderman DeVries and I were at war because of Crystal Lake and Hackett Hill. My concern at the time was that the money be explained if we are going to get it back and everything else. I have been insured by Alderman DeVries and some department members at the NH Department of Transportation and the NH Department of Environmental Services that the money will be replaced. Again, there is no guarantee but I am in support of this.

Alderman Wihby stated I voted against this in the Committee. My concern is that we built the Riverwalk and I am more concerned with what Alderman Lopez just said. We have \$1 million so let's use it somewhere else. We built the Riverwalk and the agreement was and Alderman O'Neil you were there, that we were going to build this thing and fund it and do it right and we only started on the South side of Granite Street because that was the easier way but we knew that the bulk of the Riverwalk and where the City was really going to be developed was North of Granite Street. All we are doing is taking money out of this fund. We are not going to have anything left and we are not going to go anywhere with it and we will end up with a Riverwalk that doesn't go anywhere.

Chairman O'Neil replied my position would be that this is just temporary and it is a loan. I fully support the Riverwalk. I have in the past and I will in the future but I think at the present time there is an opportunity to get control of this piece of land and I feel very confident that we will receive the money from the State and the Riverwalk will be reimbursed. I agree with you. I hope we wouldn't get into start raiding this money for other projects.

Alderman Gatsas stated Mr. Chairman I believe in your previous life as a State Senator you can remember that promises were made for certain situations and guarantees just about on the table and those things never happened. I don't have to remind you of that when you sat on the Senate with me and things changed. For anybody to think that that money has a guarantee for it to be paid back there is no such thing. Could the money be allocated elsewhere? Sure. Could it take away from Hackett Hill? Yes it can.

Chairman O'Neil called for a vote on the motion. Alderman Shea requested a roll call. Aldermen Shea, DeVries, Garrity, Smith, Forest, Guinta, Sysyn, Osborne, Pinard, O'Neil and Lopez voted yea. Aldermen Wihby and Gatsas voted nay in reference to the two Crystal Lake Land Acquisitions resolutions. The motion carried.

Chairman O'Neil addressed Item 4 of the agenda:

2003 CIP Budget Authorizations:

711103	LED Replacement Program – Revision #1
713503	Crystal Lake Land Acquisition

Alderman Shea moved that the 2003 budget authorizations be approved, subject to final adoption of related resolutions. Alderman Garrity duly seconded the motion. Chairman O'Neil called for a vote. The motion carried with Aldermen Wihby and Gatsas being duly recorded in opposition to 713503, Crystal Lake Land Acquisition.

There being no further business, on motion of Alderman Smith, duly seconded by Alderman Forest, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee